

## Terms of Engagement - 2019

### Standard terms

This document contains our standard terms. Unless we agree in writing these terms will govern our relationship. By instructing us to act you will be deemed to have agreed to these terms.

### Fees and disbursements

Unless we agree otherwise our fee will be based principally on the time we spend on your matter, reflecting our hourly rate, or agreed standard charges however, when setting fees, we consider the factors set out in rule 9.1 of the Law Society's Conduct and Client Care Rules, including:

- the time and work involved
- the required skill, specialised knowledge
- the importance of the matter to you and the results achieved
- how quickly you require us to carry out the work
- the reasonable cost of running our practice
- the market fee for similar services

Where our fees are calculated the rates are set out in our engagement letter, which may be an email advice.

If we intend to work on the basis of an hourly rate, then we will estimate our fees. We may, however, specify a fixed fee and will charge on that basis for the agreed scope of services. Work outside services will be charged on an hourly rate until a new fixed fee is agreed in writing.

We may ask you to prepay all or part of our fees before we undertake any work.

Lundons Law will invoice either monthly for work completed or on a milestone basis. We may also

send you an invoice when we incur a significant expense.

In providing services we may incur disbursements or make payments to third parties on your behalf (*expenses*). Expenses are included in our invoice and may be charged before the cost being incurred. Where we request prepayment of expenses, we may choose not to begin work until we receive your deposit even if there are deadlines due for the filing or registration of documents.

Any deposit paid by you because of fees and expenses is paid into our Trust account and will not be deducted until the work is completed and invoiced. On completion of the matter we can provide you with a full statement of account.

We charge a standard office expense to cover the costs for printing photocopying and communication charges. The charge is a minimum of \$65 per project or 3.0% of the actual fee (ex-GST), whichever is the greater. We may pass on the actual costs to you if they are significant.

Our invoice will where applicable include New Zealand Goods and Services Tax (GST).

### Payment

Invoices are due for payment seven days from their issue unless alternative arrangements have been made in writing.

If an invoice is not paid by the due date, then we may charge you interest at 15% per annum.

We may keep your files until you pay the invoiced amounts.

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You authorise us to deduct fees and disbursements for which we have provided an invoice, whether overdue or not, from funds held on your behalf or on behalf of any associated entity.

If arrangements have been made for a third party to pay our invoices, then you remain responsible for payment for the full invoice.

We may engage debt recovery services who you agree are authorised for the purpose of the Privacy Act 1993 to credit check, including collection and monitoring of information regarding your credit status, and to notify a default in the payment of any part of an invoice.

You authorise us and our agents to: collect personal information share personal information; use personal information to assess credit worthiness. You may access personal information.

We may charge, and you will be responsible, for costs and legal fees from the collection of any part of an unpaid invoice, including administration fees, legal costs, collection costs, and bank dishonour fees.

If an invoice remains unpaid after 30 days, we may cease providing services to you until payment arrangements are agreed, even if there are deadlines due for the filing or registration of documents.

### **Anti-Money Laundering and Countering Financing of Terrorism (AML/CFT/Act 2009 ("the Act"))**

We are required to comply with: the Anti-Money Laundering and Countering Financing of Terrorism Act 2009 (AML/CFT Act); the United States Foreign Account Tax Compliance Act (FATCA); the Common Reporting Standard (CRS).

To meet these requirements, we may be required to conduct customer due diligence on you, persons acting on your behalf, and other relevant persons such as your beneficial owners or persons who have effective control of you as a client. We may not be able to act or continue acting for you until this is completed to the required standard.

We will advise what information and documents are required for these purposes. This information could include formal identification, address confirmation, source of funds, transaction details, ownership structures, tax identification details, and any other information considered relevant. Please ensure the information and documents requested are provided promptly to avoid any delays in us acting for you.

We will retain the information and documents and may be required to disclose them to government agencies as required by law. We may not be permitted to advise you of the instances when we are required to disclose this information. We may also be required to provide this information to banks with which we place your funds through our trust account.

### **Confidentiality**

We will hold in confidence all information concerning you and your affairs we acquire while acting for you.

We will not disclose this information to any other person except to enable us to carry out your instructions or as required by law.

### **Termination**

You may terminate our services.

We may terminate our services:

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- if you misrepresent or fail to disclose facts to us;
- act contrary to, or ignore, our advice by adopting a course of action we believe may contravene our obligations;
- a conflict of interest has arisen
- you do not pay our invoices by due date.

We may terminate services even if important deadlines are due. If our engagement is terminated you must pay all fees due and expenses incurred up to termination, and you agree, that we may retain your files until our invoices are paid.

### Retention of Files and Documents

We retain files in paper or electronic form for a minimum of seven years from the time the matter is complete. After that time files may be destroyed without your consent.

### Conflicts of interest

If a conflict of interest arises, we will advise you of the conflict and we will follow the procedures set out in Chapter 6 of the *Law Society's Rules of Conduct and Client Care for Lawyers*.

### Trust Account

We maintain a Trust account for all funds received from clients except monies received for payment of our invoices. If we are holding significant funds on your behalf, we will normally lodge those funds on interest bearing deposit with a bank. There we will charge an administration fee of 5% of the interest derived.

### Communications

Please advise if you have a preferred method of our firm communication. Lundons Law is not liable for loss arising from non-receipt of any communication, including electronic

communications.

### General

These Terms apply to any current and all future engagements. We may vary these Terms. Our Terms are available on our website:

<https://www.lundonslaw.com/client-information/>

If you continue to instruct us following a variation you will be deemed to have agreed to the varied terms.

### Dispute resolution

If you have a concern, then please talk with us. We will engage with you.

Please also refer to the Client Care statement for the New Zealand Law Society complaints procedures.

Client Care Information available at:

<https://www.lundonslaw.com/client-information/>

The laws of New Zealand apply to our relationship with you and the Courts of New Zealand have non-exclusive jurisdiction.